### ARIZONA CORPORATION COMMISSION UTILITIES DIVISION

ANNUAL REPORT MAILING LABEL - MAKE CHANGES AS NECESSARY



W-01917A DRAGOON WATER CO. 3950 W. WOODRIDGE DRIVE GLENDALE, AZ 85308

RECEIVED

ACC UTILITIES DIRECTOR

## ANNUAL REPORT Water

FOR YEAR ENDING

12 31 2009

FOR COMMISSION USE

**ANN 04** 

09

4-16-10

#### **COMPANY INFORMATION**

	ANT INTORMATION	•	
Name) <u>DR</u>	AGOON WATER CO., INC		
OODRIDGE	<u>DRIVE</u>		
	. 7	0.5000	
	AZ	<u>85308</u>	<del></del>
	(State)	(Zip)	
	(602) 547-2299		
		Cell No. (Include	Area Code)
(Street)	(State)	(Zip)	
rea Code)	Fax No. (Include Area Code)	Cell No. (Include	Area Code)
MANAGI	EMENT INFORMATION	<u>ON</u>	
KEVIN SUL	LIVAN		IDENT
_	(Name)	(Title)	•
	GLENDALE	AZ	85308
	SAME (Street)  rea Code)  MANAGI	AZ (State)  (602) 547-2299 Fax No. (Include Area Code)  SAME AS ABOVE (Street)  (State)  (State)  MANAGEMENT INFORMATION  KEVIN SULLIVAN	AZ (State) (Zip)  (602) 547-2299 Fax No. (Include Area Code) Cell No. (Include  SAME AS ABOVE (Street)  (State) (Zip)  rea Code) Fax No. (Include Area Code) Cell No. (Include  MANAGEMENT INFORMATION  KEVIN SULLIVAN PRES (Name) (Title)

#### (State) (Street) (City) (Zip) (602) 547-2299 (602) 818-6888 Cell No. (Include Area Code) Telephone No. (Include Area Code) Fax No. (Include Area Code) Email Address On Site Manager: SOUTHWESTERN UTILITY MANAGEMENT, INC. (Name) TUCSON 85745 2102 N FORBES BLVD, SUITE 107 (City) (State) (Zip) (Street) (520) 623-5172 (520) 792-0377 Telephone No. (Include Area Code) Cell No. (Include Area Code) Fax No. (Include Area Code) Email Address

Statutory Agent:		
	(Name)	
(Street)	(City)	(State) (Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code	Cell No. (Include Area Code)
Attorney:	(Name)	
	(Name)	
(Street)	(City)	(State) (Zip)
Telephone No. (Include Area Code)	Fax No. (Include Area Code)	Cell No. (Include Area Code)
Email Address	, , , , , , , , , , , , , , , , , , ,	
<u>O</u>	WNERSHIP INFORMATION	<u>ON</u>
Check the following box that applies t	to your company:	
Sole Proprietor (S)	C Corporation (	C) (Other than Association/Co-op)
Partnership (P)	Subchapter S Co	orporation (Z)
☐ Bankruptcy (B)	Association/Co-	op (A)
Receivership (R)	Limited Liabilit	y Company
Other (Describe)		
	COUNTIES SERVED	
Check the box below for the county/ie	es in which you are certificated to p	provide service:
□ АРАСНЕ	<b>⊠</b> COCHISE	
☐ GILA	☐ GRAHAM	☐ GREENLEE
☐ LA PAZ	☐ MARICOPA	☐ MOHAVE
☐ NAVAJO	☐ PIMA	☐ PINAL
☐ SANTA CRUZ	☐ YAVAPAI	☐ YUMA
☐ STATEWIDE		

#### COMPANY NAME

#### DRAGOON WATER CO., INC.

#### **UTILITY PLANT IN SERVICE**

Acct. No.	DESCRIPTION	Original Cost (OC)	Accumulated Depreciation (AD)	O.C.L.D. (OC less AD)
301	Organization	6,983		6,983
302	Franchises			
303	Land and Land Rights	5,187		5,187
304	Structures and Improvements	29,114	19,422	9,692
307	Wells and Springs	51,913	22,372	29,541
311	Pumping Equipment	188,166	188,166	0
320	Water Treatment Equipment	3,649	240	3,409
330	Distribution Reservoirs and Standpipes	96,107	53,742	42,365
331	Transmission and Distribution Mains	207,285	85,137	122,148
333	Services	20,326	7,932	12,394
334	Meters and Meter Installations	27,418	23,180	4,238
335	Hydrants	633	164	469
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,045	3,917	128
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	280	70	210
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	15,575	9,225	6,350
	TOTALS	656,681	413,567	243,114

This amount goes on the Balance Sheet Acct. No. 108

#### COMPANY NAME DRAGOON WATER CO., INC.

#### CALCULATION OF DEPRECIATION EXPENSE FOR CURRENT YEAR

Acct. No.	DESCRIPTION	Original Cost (1)	Depreciation Percentage (2)	Depreciation Expense (1x2)
110.	DESCRIPTION	Cost (1)	Tercentage (2)	Expense (1x2)
301	Organization	6,983		
302	Franchises			
303	Land and Land Rights	5,187		
304	Structures and Improvements	29,114	3.33%	969
307	Wells and Springs	51,913	3.33%	1,729
311	Pumping Equipment	188,166	12.50%	15,321
320	Water Treatment Equipment	3,649	3.30%	120
330	Distribution Reservoirs and Standpipes	96,107	2.22%	2,134
331	Transmission and Distribution Mains	207,285	2.00%	4,146
333	Services	20,326	3.33%	677
334	Meters and Meter Installations	27,418	8.33%	2,284
335	Hydrants	633	3.33%	21
336	Backflow Prevention Devices			
339	Other Plant and Misc. Equipment			
340	Office Furniture and Equipment	4,045	6.67%	270
341	Transportation Equipment			
343	Tools, Shop and Garage Equipment	280	5.00%	14
344	Laboratory Equipment			
345	Power Operated Equipment			
346	Communication Equipment			
347	Miscellaneous Equipment			
348	Other Tangible Plant	15,575	2.50%	389
	SUBTOTAL	656,681		28,074
	Less: Amortization of Contributions			7,078
	TOTAL	656,681		20,996

This amount goes on Comparative Statement of Income and Expense Acct. No. 403.



To the Board of Directors of Dragoon Water Co., Inc. Glendale, Arizona

We have compiled the balance sheet of Dragoon Water Co., Inc. (a corporation) as of December 31, 2009 and 2008, and the comparative statement of income and expense for the years then ended included in the accompanying prescribed form in accordance with Statements on Standards for Accounting and Review Services issued by the American Institute of Certified Public Accountants.

Our compilation was limited to presenting in the form prescribed by the Arizona Corporation Commission information that is the representation of management. We have not audited or reviewed the financial statements referred to above and, accordingly, do not express an opinion or any other form of assurance on them.

These financial statements are presented in accordance with the requirements of the Arizona Corporation Commission, which differ from generally accepted accounting principles. Accordingly, these financial statements are not designed for those who are not informed about such differences.

All other information contained in the accompanying prescribed form has not been audited, reviewed, or compiled by us and, accordingly, we assume no responsibility for that information.

ULLMANN & COMPANY, P.C.

'Allmann & Company

Certified Public Accountants

March 31, 2010

#### COMPANY NAME DRAGOON WATER CO., INC.

#### **BALANCE SHEET**

Acct. No.			ANCE AT		LANCE AT END OF
	ASSETS		YEAR	YEAR	
	CURRENT AND ACCRUED ASSETS	_			
131	Cash	\$	53,511	\$	23,754
134	Working Funds				
135	Temporary Cash Investments				
141	Customer Accounts Receivable		11,658		11,100
146	Notes/Receivables from Associated Companies				
151	Plant Material and Supplies				
162	Prepayments				
174	Miscellaneous Current and Accrued Assets		17,682		49,321
	TOTAL CURRENT AND ACCRUED ASSETS				
- · · · · · · · · · · · · · · · · · · ·		\$	82,851	\$	84,175
	FIXED ASSETS				
101	Utility Plant in Service	\$	638,412	\$	656,681
103	Property Held for Future Use				
105	Construction Work in Progress				
108	Accumulated Depreciation - Utility Plant		385,493		413,567
121	Non-Utility Property				
122	Accumulated Depreciation - Non Utility				
	TOTAL FIXED ASSETS	\$	252,919	\$	243,114
	TOTAL ASSETS	\$	335,770	\$	327,289

NOTE: The Assets on this page should be equal to Total Liabilities and Capital on the following page.

#### COMPANY NAME

DRAGOON WATER CO., INC.

#### **BALANCE SHEET (CONTINUED)**

Acct. No.			GINNING	NG END OF	
	CURRENT LIABILITES				
231	Accounts Payable	\$	2,837	\$	697
232	Notes Payable (Current Portion)	+	10,220		10,710
234	Notes/Accounts Payable to Associated Companies	-			,,
235	Customer Deposits		3,605		4,130
236	Accrued Taxes		3,770		3,020
237	Accrued Interest				
241	Miscellaneous Current and Accrued Liabilities		40		40
	TOTAL CURRENT LIABILITIES	\$	20,472	\$	18,597
	LONG-TERM DEBT (Over 12 Months)				
224	Long-Term Notes and Bonds	\$	135,610	\$	124,904
	DEFERRED CREDITS				
251	Unamortized Premium on Debt				
252	Advances in Aid of Construction		62,410		60,878
255	Accumulated Deferred Investment Tax Credits				
271	Contributions in Aid of Construction		125,935		125,935
272	Less: Amortization of Contributions		71,609		78,687
281	Accumulated Deferred Income Tax				
	TOTAL DEFERRED CREDITS	\$	116,736	\$	108,126
	TOTAL LIABILITIES	\$	272,818	\$	251,627
	CAPITAL ACCOUNTS				
201	Common Stock Issued	\$	13,000	\$	13,000
211	Paid in Capital in Excess of Par Value		168,642		168,642
215	Retained Earnings		(118,690)		(105,980)
218	Proprietary Capital (Sole Props and Partnerships)				
	TOTAL CAPITAL	\$	62,952	\$	75,662
	TOTAL LIABILITIES AND CAPITAL	\$	335,770	\$	327,289

#### **COMPARATIVE STATEMENT OF INCOME AND EXPENSE**

Acct. No.	OPERATING REVENUES	PRI	OR YEAR	CURRI	ENT YEAR
461	Metered Water Revenue	\$	100,869	\$	106,606
460	Unmetered Water Revenue		-		
474	Other Water Revenues		514		869
	TOTAL REVENUES	\$	101,383	\$	107,475
	OPERATING EXPENSES				
601	Salaries and Wages				
610	Purchased Water				
615	Purchased Power		10,159		12,673
618	Chemicals				
620	Repairs and Maintenance		2,664		2,765
621	Office Supplies and Expense		582		1,330
630	Outside Services		36,823		56,955
635	Water Testing		4,875		3,109
641	Rents		715		103
650	Transportation Expenses				
657	Insurance - General Liability				
659	Insurance - Health and Life		:		
666	Regulatory Commission Expense - Rate Case				
675	Miscellaneous Expense		6,122		12,345
403	Depreciation Expense		7,506		20,996
408	Taxes Other Than Income				
408.11	Property Taxes		5,081		5,013
409	Income Tax		787		(26,823)
	TOTAL OPERATING EXPENSES	\$	75,314	\$	88,466
***	OTHER INCOME/EXPENSE				
419	Interest and Dividend Income	\$	1,212	\$	324
421	Non-Utility Income				
426	Miscellaneous Non-Utility Expenses				
427	Interest Expense		7,092		6,624
	TOTAL OTHER INCOME/EXP	\$	(5,880)	\$	(6,300)
	NET INCOME/(LOSS)	\$	20,189	\$	12,709

#### SUPPLEMENTAL FINANCIAL DATA Long-Term Debt

	LOAN #1	LOAN #2	LOAN #3	LOAN #4
Date Issued	VARIES			
Source of Loan	WIFA			
ACC Decision No.				
Reason for Loan				
Dollar Amount Issued	\$196,383	\$	\$	\$
Amount Outstanding	\$135,614	\$	\$	\$
Date of Maturity				
Interest Rate	4.688%	%	%	%
Current Year Interest	\$6,624	\$	\$	\$
Current Year Principle	\$10,216	\$	\$	\$

Meter Deposit Balance at Test Year End	\$5,122
Meter Deposits Refunded During the Test Year	\$1,027

### COMPANY NAME DRAGOON WATER CO., INC. Name of System: ADEQ Public Water System Number: 02-015

#### WATER COMPANY PLANT DESCRIPTION

#### **WELLS**

ADWR ID Number*	Pump Horsepower	Pump Yield (gpm)	Casing Depth (Feet)	Casing Diameter (Inches)	Meter Size (inches)	Year Drilled
55-631739	15	55		12	3	
55-631738	30	200		12	4	

<sup>\*</sup> Arizona Department of Water Resources Identification Number

#### **OTHER WATER SOURCES**

	Name or Description	Capacity (gpm)	Gallons Purchased or Obtained (in thousands)
N/A			

BOOSTER PUMP	BOOSTER PUMPS		ZDRANTS
Horsepower	Quantity	Quantity Standard	Quantity Other
5	2		
15	2		
10	2		
1.5	2		

STORAGE TANKS		PRESSURE TANKS	
Capacity	Quantity	Capacity	Quantity
40,000	1	5,000	2
20,000	1	2,000	1
5,000	1	100	1

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	DRAGOON WATER CO., INC.
Name of System:	ADEQ Public Water System Number: 02-015

#### WATER COMPANY PLANT DESCRIPTION (CONTINUED)

**MAINS** 

Size (in inches)	Material	Length (in feet)
2	PVC	300
3	AC	2,830
4	AC	4,030
5		
6	AC	600
8		
10		
12		
<u>3</u>	PVC	16,418
4	PVC	9,637
<u>6</u>	PVC	7,460
<u>6</u>	PVC	1,400

**CUSTOMER METERS** 

Size (in inches)	Quantity
5/8 X <sup>3</sup> / <sub>4</sub>	121
3/4	
1	20
1 1/2	2
2	
Comp. 3	
Turbo 3	
Comp. 4	
Turbo 4	
Comp. 6	
Turbo 6	

For the following three items, list the utility owned assets in each category for each system.

TREATMENT EQUIPMENT: 2 CHLORINATORS

STRUCTURES:

10' X 10' PUMP HOUSE

10' X 12' PUMP HOUSE

1200 FT - 6' CHAIN LINK FENCE

5' X 5' BOOSTER HOUSE

**2 STORAGE SHOPS** 

OTHER:				

Note: If you are filing for more than one system, please provide separate sheets for each system.

COMPANY NAME:	DRAGOON WATER CO., INC	
Name of System:	ADEQ Public Water System Number: 02-015	

#### WATER USE DATA SHEET BY MONTH FOR CALENDAR YEAR 2009

MONTH	NUMBER OF CUSTOMERS	GALLONS SOLD (Thousands)	GALLONS PUMPED (Thousands)	GALLONS PURCHASED (Thousands)
JANUARY	127	900	964	0
FEBRUARY	126	596	670	0
MARCH	128	748	826	0
APRIL	129	042	1033	0
MAY	129	1066	1,149	0
JUNE	129	1030	1148	0
JULY	130	1147	1276	0
AUGUST	126	1275	1363	0
SEPTEMBER	129	1289	1555	0
OCTOBER	126	778	1188	0
NOVEMBER	129	811	1368	0
DECEMBER	128	618	894	0
TOTALS →		11199	13433	0

What is the level of arsen (If more than one well, please	list each separately.)	mg/1
If system has fire hydrant	s, what is the fire flow requirement? <u>N/A</u>	GPM forhrs
If system has chlorination (X) Yes	treatment, does this treatment system chlo  ( ) No	orinate continuously?
Is the Water Utility locate ( ) Yes	ed in an ADWR Active Management Area (X) No	(AMA)?
Does the Company have ( ) Yes	an ADWR Gallons Per Capita Per Day (GF (X) No	PCPD) requirement?
If yes, provide the GPCP	D amount:	

Note: If you are filing for more than one system, please provide separate data sheets for each system.

COMPANY NAME: DRAGOON WATER CO., INC.		
Name of System:	ADEQ Public Water System Number:02-015	

### <u>UTILITY SHUTOFFS / DISCONNECTS</u>

MONTH	Termination without Notice R14-2-410.B	Termination with Notice R14-2-410.C	OTHER
JANUARY	0	2	0
FEBRUARY	0	0	0
MARCH	0	0	0
APRIL	0	0	0
MAY	0	3	0
JUNE	0	0	0
JULY	0	0	0
AUGUST	0	2	0
SEPTEMBER	0	6	0
OCTOBER	0	0	0
NOVEMBER	0	0	0
DECEMBER	0	0	0
TOTALS	. 0	13	0

OTHER (description):				

COMDANIA NA ME	DDACOON WATER CO. INC.	VEAD ENDING 12/21/2000
COMPANY NAME	DRAGOON WATER CO., INC.	YEAR ENDING 12/31/2009

#### **PROPERTY TAXES**

Amount of actual property taxes paid during Calendar Year 2009 was: \$ 5,047
Attach to this annual report proof (e.g. property tax bills stamped "paid in full" or copies of cancelled checks for property tax payments) of any and all property taxes paid during the calendar year.
If no property taxes paid, explain why

#### VERIFICATION AND SWORN STATEMENT Taxes

RECEIVED

VERIFICATION

STATE OF ARIZONA I, THE UNDERSIGNED OF THE

AC	C UTILITIES DIRECTOR
COUNTY OF (COUNTY NAME)	
COCHISE	
NAME (OWNER OR OFFICIAL) TITLE	
KEVIN SULLIVAN, PRESIDENT	
COMPANY NAME	
DRAGOON WATER CO., INC.	

DO SAY THAT THIS ANNUAL UTILITY PROPERTY TAX AND SALES TAX REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

#### **SWORN STATEMENT**

THIS

I HEREBY ATTEST THAT ALL PROPERTY TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

I HEREBY ATTEST THAT ALL SALES TAXES FOR SAID COMPANY ARE CURRENT AND PAID IN FULL.

SUBSCRIBED AND SWORN TO BEFORE ME A NOTARY PUBLIC IN AND FOR THE COUNTY OF COUNTY NAME Marlinga 12 DAY OF ,2010 ADILIL (SEAL) SIGNATURE

MY COMMISSION EXPIRES July 09. 2011

DELFINO PEREZ IOTARY PUBLIC -- ARIZONA MARICOPA COUNTY My Commission Expires July 09, 2011

#### INCOME TAXES

For this reporting period, provide the following:

(9,520) 0
(9,475) 45

Amount of Contributions/Advances

Amount of Gross-Up Tax Collected

Total Grossed-Up Contributions/Advances

N/A

N/A

Decision No. 55774 states, in part, that the utility will refund any excess gross-up funds collected at the close of the tax year when tax returns are completed. Pursuant to this Decision, if gross-up tax refunds are due to any Payer or if any gross-up tax refunds have already been made, attach the following information by Payer: name and amount of contribution/advance, the amount of gross-up tax collected, the amount of refund due to each Payer, and the date the Utility expects to make or has made the refund to the Payer.

#### **CERTIFICATION**

The undersigned hereby certifies that the Utility has refunded to Payers all gross-up tax refunds reported in the prior year's annual report. This certification is to be signed by the President or Chief Executive Officer, if a corporation; the managing general partner, if a partnership; the managing member, if a limited liability company or the sole proprietor, if a sole proprietorship.

SICNATURE

PRINTED NAME

~...

16

# VERIFICATION AND SWORN STATEMENT Intrastate Revenues Only

K	CE	IV	E	
,				

ACC UTILITIES DIRECTOR

VERIFICATION

STATE OF ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)
COCHISE
NAME (OWNER OR OFFICIAL) TITLE
KEVIN SULLIVAN, PRESIDENT
COMPANY NAME
DRAGOON WATER CO., INC.

#### DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH	DAY	YEAR
12	31	2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

#### **SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENT OF TITLE 40, ARTICLE 8, SECTION 40-401, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM <u>ARIZONA INTRASTATE</u> <u>UTILITY OPERATIONS DURING CALENDAR YEAR 2009 WAS:</u>

Arizona I	ntrastate Gross Operating Revenue	Only (\$)
	\$ 114,511	
(THE A	MOUNT IN BOX ABOVE	
INCLUI	DES \$ 7,036	
IN SAL	ES TAXES BILLED, OR C	OLLECTED)

INCLUDE SALES TAXES BILLED OR
COLLECTED. IF FOR ANY OTHER REASON,
THE REVENUE REPORTED ABOVE DOES NOT
AGREE WITH TOTAL OPERATING REVENUES
ELSEWHERE REPORTED, ATTACH THOSE
STATEMENTS THAT RECONCILE THE
DIFFERENCE. (EXPLAIN IN DETAIL)

SUBSCRIBED AND SWORN TO BEFORE ME
A NOTARY PUBLIC IN AND FOR THE COUNTY OF
THIS

(SEAL)

\*\*REVENUE REPORTED ON THIS PAGE MUST

TELEPHONE NUMBER

DELFINO PEREZ

COUNTY NAME MAYLLW & PM

MONTH A PYLL .2010

DELFINO PEREZ
DELFINO PEREZ
NOTARY PUBLIC -- ARIZONA
MARICOPA COUNTY
MY COMMISSION Expire
July 09, 2011

(SEI

MY COMMISSION EXPIRES July 09, 2011

# VERIFICATION AND SWORN STATEMENT RESIDENTIAL REVENUE

RECEIVED

200 (100 mg ) (1

VERIFICATION

**Intrastate Revenues Only** 

ACC UTILITIES DIRECTOR

<b>STATE</b>	OF	ARIZONA

I, THE UNDERSIGNED

OF THE

COUNTY OF (COUNTY NAME)	COCHISE	
NAME (OWNER OR OFFICIAL)	KEVIN SULLIVAN	TITLE PRESIDENT
COMPANY NAME DRAGOON	WATER CO., INC.	

DO SAY THAT THIS ANNUAL UTILITY REPORT TO THE ARIZONA CORPORATION COMMISSION

FOR THE YEAR ENDING

MONTH DAY YEAR 12 31 2009

HAS BEEN PREPARED UNDER MY DIRECTION, FROM THE ORIGINAL BOOKS, PAPERS AND RECORDS OF SAID UTILITY; THAT I HAVE CAREFULLY EXAMINED THE SAME, AND DECLARE THE SAME TO BE A COMPLETE AND CORRECT STATEMENT OF BUSINESS AND AFFAIRS OF SAID UTILITY FOR THE PERIOD COVERED BY THIS REPORT IN RESPECT TO EACH AND EVERY MATTER AND THING SET FORTH, TO THE BEST OF MY KNOWLEDGE, INFORMATION AND BELIEF.

#### **SWORN STATEMENT**

IN ACCORDANCE WITH THE REQUIREMENTS OF TITLE 40, ARTICLE 8, SECTION 40-401.01, ARIZONA REVISED STATUTES, IT IS HEREIN REPORTED THAT THE GROSS OPERATING REVENUE OF SAID UTILITY DERIVED FROM <u>ARIZONA INTRASTATE UTILITY OPERATIONS</u> RECEIVED FROM RESIDENTIAL CUSTOMERS DURING CALENDAR YEAR 2009 WAS:

ARIZONA INTRASTATE GROSS OPERATING REVENUES

\$ 93,450

THE AMOUNT IN BOX AT LEFT INCLUDES \$ 5,356

NOTARY PUBLIC NAME

MONTH

IN SALES TAXES BILLED, OR COLLECTED)

\*RESIDENTIAL REVENUE REPORTED ON THIS PAGE MUST INCLUDE SALES TAXES BILLED.

SIGNATURE OF OWNER OR OFFICIAL

318-6888

TELEPHONE NUMBER

anıl

SUBSCRIBED AND SWORN TO BEFORE ME

A NOTARY PUBLIC IN AND FOR THE COUNTY OF

THIS

(SEAL)

DAY OF
DELFINO PEREZ
NOTARY PUBLIC -- ARIZONA
MARICOPA COUNTY
My Commission Expires

July 09, 2011

MY COMMISSION EXPIRES

SIGNATURE OF NOTARY PUBLIC

July 09. 2011

20 10

#### DRAGOON WATER COMPANY

PO BOX 86160 TUCSON, AZ 85754 520-823-5172

WELLS FARGO BANK, N.A. WWW.WELLSFARGO COM #1-92/7221

10/7/2009

PAY TO THE ORDER OF\_ Marsha Bonham - Cochise County Treasurer

\*\*2,506,44

**DOLLARS** 

8

PO Box 1778

Marsha Bonham - Cochise County Treasurer

Bisbee, AZ 85603-2778

MEMO

Prop Tax 09 1st 908-60-9007

#004095# #12210527a#578819580?#

DRAGOON WATER COMPANY

4095

Date 9/2/2009

Date

9/2/2009

Marsha Bonnam - Cochise County Treasurer Type Reference Prop Tax 09 1st Bill

Original Amt. 2,506.44

10/7/2009 Balance Due Discount 2,506.44

Payment 2,506.44

Check Amount

2,506.44

Wells Fargo Bank #X Prop Tax 09 1st 908-60-9007

2,506 44

DRAGOON WATER COMPANY

Marsha Bonham - Cochise County Treasurer

Type Reference Prop Tax 09 1st Bill

Original Amt. 2,506,44

10/7/2009 Balance Due Discount 2,506.44

Check Amount

4095

Payment 2,506.44 2,506.44

Wells Fargo Bank #X Prop Tax 09 1st 908-60-9007

2.506.44

MORREY TO RECEIVE A ROY AND JUST

Mt. 710311

950071354-99

. .

908-60-900 7 0900 8.2445  SI SILISI  11,280 22.0 2,499  111,280 22.0 43,481  1208-000 157,840 22.0 43,481  1208-000 1,590 22.0 350  1,590 22.0 3,500  1,590 22.0 3,500  1,590 22.0 2,149  1,590 22.0 41,481  1,590 22.0 41,481  1,590 22.0 41,481  1,590 22.0 45,880  1,590 22.0 41,481  1,590 22.0 2,149  1,590 22.0 3,500  1,590 22.0 3,500  1,590 22.0 3,500  1,590 22.0 3,500  1,590 22.0 3,500  1,590 22.0 1,590  1,590 22.0 1,590  1,590 22.0 1,590  1,590 22.0 1,590  1,590 00  1,590	2.9033  2.9033  CONTROL OF COLUMN PERSON SD ACCHISE COLUMN PEDRO VICTURE DISCRIPTION OF COLUMN PEDRO VICTURE DISCRIPTION OCHISE COLUMN PERSON VICTURE DISCRIPTION OCHISE COLUMN PERSON VICTURE PERSO	13 DAIL 8.2445 8.2445 2.8033 2.8033 2.6436 INTY INTY JUNIO VALLEY HOS IOTY ASSIST INTY LIBRA INTY FOD #	206.04 3,584.80 3,790.84 10.18 52.40 1,149.46 1,222.04	PRIMARY PROPERTY TAX LESS STATE AND TO EDUCATION NET PRIMARY PROPERTY TAX SECONDARY PROPERTY TAX SPECIAL DISTRICT TAX TOTAL TAX DUE FOR SOON TAXES 1,224.76 0.90 2,551.32 759.96 411.93 36.98 66.41 6.59 22.89	3,790.8 0.0 3,790.8 1,222.0 0.0 5,012.8 1,215.04 152.01 2,356.53 739.13 413.82 40.15 66.72 6.49 22.99
SISSIDI   Males SOLARS   March   Mar	EMBRISHER  COCHISE COLITATE SCHOOL  COCHISE COLITATE COLITATE  COCHISE COL	8.2445 8.2445 2.9033 2.9033 2.6436 INTY INTY JUNIO VALLEY HOS IOTY ASSIST INTY LIBRA INTY FGD #	206.04 3,584.80 3,790.84 10.18 52.40 1,149.46 1,222.04	LESS STATE AND TO EDUCATION  NOT PRUMARY PROPERTY TAX  SECONDARY PROPERTY TAX  SPECIAL DISTRICT TAX  TOTAL TAX DUE FOR TOON  2008  TAMES  1,224.76  0.90  2,551.32  759.96  411.93  36.98  66.41  6.59	0.0 3,790.8 1,222.0 0.0 5,012.8 748 1,215.04 152.01 2,356.53 739.13 413.82 40.15 66.72 6.49
11,380   22.0   2,499	BERRETORI COCHISE COL STATE SCHOOL SOCHISE COL SAN PEDRO V TIRE DISTRI OCCHISE COL OCCHISE COL	8.2445 8.2445 2.9033 2.9033 2.6436 INTY INTY JUNIO VALLEY HOS IOTY ASSIST INTY LIBRA INTY FGD #	206.04 3,584.80 3,790.84 10.18 62.40 1,149.46 1,222.04	NEI PRIMARY PROPERTY TAX  SECONDARY PROPERTY TAX  SPECIAL DISTRICT TAX  TOTAL TAX DUE FOR 2009    2008  TAXES  1,224.76  0.00  2,551.32  759.96  411.93  36.98  66.41  6.59	3,790.8 1,222.0 0,0 5,012.8 2000 10415 1,215.04 152.01 2,356.53 739.13 413.82 40.15 66.72
209,000 45,980 1,590 22.0 350 1,590 22.0 2,149 1,770 22.0 2,149 1,770 22.0 41,481 209,000 ACREAGE; LOS ACREAGE; LOS 21841 102 21841 103 200 200 200 103 200 200 200 104 200 200 200 105 200 200 200 105 200 200 200 105 200 200 105 200 200 105 200 200 105 200 200 105 200 10	DESCRIPTION OF THE COLUMN SD A COCHISE COLUMN SD A COCHISE COLUMN PEDRO VIRE DISTRI COCHISE COLUMN COCCHISE COLUMN COL	2.9033 2.9034 2.6436 2.	3,790,84 10.18 62,40 1,149,46 1,1222.04	SECONDARY PROPERTY TAX  SPECIAL DISTRICT TAX  TOTAL TAX DUE FOR 2009    2008  1,224.76  0.00  2,551.32  759.96  411.93  36.98  66.41  6.59	1,222.0 0.6 5,0†2.8 2009 1745 1,215.04 152.01 2,356.53 739.13 413.82 40.15 66.72 6.49
197.540   22.0   2,149	COCHISE COU STATE SCHOOL SENSON SD M COCHISE COU SAN PEDRO V (IRE DISTRI) OCCHISE COU OCCHISE COU	2.9033 2.6436 2.	10,18 52,40 1,149,46 1,222,04	SPECIAL DISTRICT TAX  TOTAL TAX DUE FOR 2009    2008 TAXES  1,224.76 0.00 2,551.32 759.96 411.93 36.98 66.41 6.59	0.0 5,012.8 2009 10XES 1,215.04 152.01 2,356.53 739.13 413.82 40.15 66.72 6.49
197,540 22.0 43,481 209,000 44,481 209,000 109 21841 21841 22.841 23.84 02000 C 02001 S 02001	COCHISE COUNTY OF THE PROPERTY	2.6436  INTY  L TAX EQUINTY JUNIO  /ALLEY HOS  ICT ASSIST  INTY LIBRA  INTY FGD #	1,149,45 1,222.04	7008 1,224.76 0.00 2,551.32 759.96 411.93 36.98 66,41 6.59	5,012.8 200 1045 1,215.04 152.01 2,356.53 739.13 413.82 40.15 66.72 6.49
21.841  Q1.841  Q2.841  Q2.841	COCHISE COUNTAINS COLUMN PEDRO VIAN PEDRO VI	OL TAX EQUIPS JATTY JUNIO JALLEY HOS ICT ASSIST JATTY LIBRA JATTY FCD #		1,224.76 0.00 2,551.32 759.96 411.93 36.98 66,41 6.59	1,215.04 1,215.04 152.01 2,356.53 739.13 413.82 40.15 66.72 6.49
Color   Colo	TATE SCHOOLENSON SD ACCHISE COL IAN PEDRO VIRE DISTRICTORY COCHISE COL COCHISE COL	OL TAX EQUIPS JATTY JUNIO JALLEY HOS ICT ASSIST JATTY LIBRA JATTY FCD #		0.00 2,551.32 759.96 411.93 36.98 66.41 6.59	152.01 2,356.53 739.13 413.82 40.15 66.72 6.49
ALL DESCRIPTION:  ALL VALUE OF OPERATINE PROPERTY  ALL VALUE OF OPERATINE PROPERTY  BOTE - 10252  10252  1788  14900 C  15000 C  30000 C  S is the only notice you will receive.  Marsia Bornam Cochise County Insasarer  PD Box 1778  Bisboe AZ 85603-2778  THIS IS A  CALENDAR YEAR	ENSON SD A COCHISE COU IAN PEORO V IRE DISTRI COCHISE COU COCHISE COU	PS JNTY JUNIO /ALLEY HOS ICT ASSIST JNTY LIBRA JNTY FGD #		2,551,32 759,96 411,93 36,98 66,41 6,59	2,356.53 739.13 413.82 40.15 66.72 6.49
AL DESCRIPTION: ALL VALUE OF OPERATING PROPERTY ALL VALUE OF OPERATING PROPERTY BE-78-D15-N 788 208-78- 1 1900 C 1 1900 C 1 15000 C 30000 C  Is in the only notice you will receive.  Marsia Borrham Cuchise County Treasurer PU Box 1778 Bisbee AZ 85603-2778  THIS IS A CALENDAR YEAR	COCHISE COL IAN PEDRO V IRE DISTRI COCHISE COU COCHISE COL	JNTY JUNIO /ALLEY HOS ICT ASSIST JNTY LIBRA JNTY FGD #		759.96 411.93 36.98 66.41 6.59	739.13 413.82 40.15 66.72 6.49
Marsha Bonham Cuchisa County Treasurer PO Box 1778  THIS IS A  CALENDAR YEAR	TIRE DISTRI COCHISE COU COCHISE COL	CT ASSIST INTY LIBRA INTY FGD #		36.98 66,41 6.59	40.15 66.72 6.49
Marsia Bonham Cochise County Inastarer PO Box 1778 Bisbee AZ 85603-2778 THIS IS A CALENDAR YEAR	OCHISE COL	INTY LIBRA INTY FCD #		66,41 6,59	66.72 6.49
Marsha Bonham Cochise County Treasurer PU Box 1778 Bisbee AZ 85603-2778 THIS IS A CALENDAR YEAR				6.59	
a Is the only cotice you will receive.  Marsta Borham Cochise County Treasurer PO Box 1778 Bisbee AZ 85603-2778 THIS IS A CALENDAR YEAR	OCHISE CNI	ia Antwi i	-	22.69	22.90
TAX NOTICE		TO	TALS	5,080.84	5,012.8
	v	ta e	way this tet h	PAYMENT INSTRUCTIO	INS I tax problems of \$100
908-60-900 7	nos OF 600s 50	07.6 07.6	iss, send the	alf installment and tuli year 1st half coupen with your 2003. To pay the 2nd	payment pestmärket
Note the Market of the Land of the Land of the Land		ଶୀଖ	znd hall cou	oon with your payment dost	tmarketi no later filan
DRAGOON WATER CO		bille	diper notice s	i pay taxés foi the full year exceeds \$100, send the 1st	thaif coupon with your
KEVIN SULLIVAN/PRESIDENT 3950 W WOODRIDGE DRIVE		Day	ment postma	rked no later than Carc 17 or current year.	10 8 and no interest
GLENDALE AZ 85308-4127				A payable to and mail to:	· · · · · · · · · · · · · · · · · · ·
2-	. Service and the construction		rsha Bonh	am nty Treasurer	7,70
	(1) dagas þar 1980 El minnber		Box 1778	my measure	Q. *

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK AND YOUR TAJES WILL REVERT TO AN UNITAL STATUS.

602-547-2299

#### ARIZONA 2009 PROPERTY TAX NOTICE SECONDARY TAX RATE PER IRRIGATION DISTRICT PRIMARY TAX HATE PER AREA PARCEL # S100 ASSESSED VALUE **SPER ACRE** \$100 ASSESSED VALUE 3,790.84 PRIMARY PROPERTY TAX 2,9033 0900 8.2445 908-60-900 0.00 EXEMPTIONS LESS STATE AID TO EDUCATION TAY BATE TAX VALUE IN BUILLARS ABSMIT : ASSUUGED VALUE - () (表) 8.2448 2,499 43,481 UNITED LAND, BLDGS, ETC 11,340 NET PRIMARY PROPERTY TAX 3,790.84 8.2445 6 197,840 IMITED PERSONAL PROPERTY 22.0 1,222.04 3,790.84 45,950 SECONDARY PROPERTY TAX LOUTED TOTALS 1,880 22.0 350 a 2.1033 10.18 FULL CASH LAND SPECIAL DISTRICT TAX 0.00. FULL DASH BUILDINGS, ETG. 2.8033 62,40 9,770 22.8 2.148 FULL CASH PERSONAL PROPERTY 2.6438 197,840 43,481 22.0 **TOTAL TAX DUE FOR 2009** 5,012,88 1,222.04 FULL CASH TOTALS TAXES TAKES 0121841 1,215.04 02000 COCHISE COUNTY 1,224,76 STTUS ADDRESS! 152.01 02001 STATE SCHOOL TAX EQU 0.00 WILL 2,356.53 2,551.32 07009 BENSON SD #9 LEGAL DESCRIPTION: TETAL VALUE OF OPERATING PROPERTY 206-78-013-8 786 208-78-739.13 08150 COCHISE COUNTY JUNIO 759.98 10252 SAN PEDRO VALLEY HOS 413.82 411.93 11900 FIRE DISTRICT ASSIST 14900 COCHISE COUNTY LIBRA 15000 COCHISE COUNTY FCD # 40.15 36.98 88.72 66.41 6.49 6.59 22.99 30000 COCHISE CNTY JOINT T 22.89 This is the early notice you will receive. Marsha Bonivern

THIS IS A **CALENDAR YEAR** TAX NOTICE

Cochiee County Treesurer

Bishee AZ 85803-2778

PO Box 1778

908-60-900 7 0052438 O1 AT 0.357 \*\*AUTO T3 0 0788 88308-412750

PAGE COOL OF BOOL 00061408

DRAGOON WATER CO KEVIN SULLIVAN/PRESIDENT 3950 W WOODRIDGE DRIVE **GLENDALE AZ 85308-4127** 

THEHE WILL DO A CHARGE FOR EACH RETURNED CHECK AND YOUR TAXES WILL REVERT TO AN UNPAID STALLS.

PLEASE INCLUDE YOUR PARCEL NUMBER ON YOUR CHECK.

TOTALS

5,080.84

nct = 3.2009

5,012.88

PAYMENT INSTRUCTIONS
To pay the 1st half installment and full year tax notices of \$100 or less, send the 1st half coupon with your payment postmarked no later than Nov. 2, 2009. To pay the 2nd half installment, send the 2nd half coupon with your payment postmarked no later than May 3, 2010. To pay taxes for the full year if the entire amount billed per notice exceeds \$100, send the 1st half coupon with your payment postmarked no later than Dec. 31, 2009 and no interest will be charged for current year.

Make your check payable to and mail to: Marsha Bonham Cochise County Treasurer PO Box 1778 Bisbee AZ 85603-2778

#### 2009 FIRST KALF PAYMENT COUPON

Due October 1, 2009 DRAGOON WATER CO

Parcel Number: 908-60-900 7 Roll Number: 0121841

**Delinquency Date Lirst Half Payment** Penalty for late payment is 16% per year prorated monthly as of the 1st day of the month for payments postmarked after 5:00 P.M. November 2, 2009 (ARS 42-18052 and ARS 42-18053).

Any total property tax notice of \$100 or less must be paid in full using the first payment coupon, no later than November 2, 2009 at 5:00 RM.

Remit one full year navment for billed amounts over \$100 by Dec. 31, 2009 and no interest will be charged for current year. Mail full year payment with 1st half coupen.

DETACH AND IN TURN WITH PAYMENT

Make check payable to: Marsha Bonham Cochise County Treasurer

PO Box 1778 Bisbee AZ 85603-2778

TO PAY 1ST HALF ONLY

2,506.44

Payment in U.S. FUNDS ONLY

TÓ PAY FULL YEAR TAX

5.012.88

If your mortgage company makes your property tax payments consider this notice as a courtesy copy for your records only.

Hertrebelertherlangelliertabeterken Kertreben Hockstelist

Marsha Bonham Cochise County Tressurer PO Box 1778 Bisbee AZ 85603-2778



029098090000700000250644

2009 9086090007 1 00000050128800000250644

DRAGOON WATER COMPANY

Marsha Bonham - Cochise County Treasurer

Date Type Re 9/2/2009 Bill P

Type Reference Bill Prop Tax 09 1st Original Amt. 2,506.44 Halance Due Discount 2,506.44 Check Amount

Payment 2,506.44 2,506.44

4095

Wells Fargo Bank #X

Prop Tax 09 1st 908-60-9007

2,506.44

McBEE TO REORDER 1 800 562-2331

MLT103-1

02006298012001

994011154199

09 PROPERTY	TAX NOTIC							ARIZONA
PARCEL#	AREA	PRIMARY TAX RAI \$100 ASSESSED V	E PER SEC	ONDARY TAX BATE PE		ION DISTRICT ER ACRE		
908-60-900 7	0900	8.2445		2.9033	ġ.	EN Mane	PRIMARY PROPERTY TAX	3,790.8
908-80-900 7	VALUE IN DOLLARS		ASSESSED VALUE	EXEMPTIONS	TAX RATE	TAX	LESS STATE AID TO EDUCATION	0.0
TED LAND, BLDGS, ETC	11,360	22.0	2,499	0	8.2445 8.2445	208.04 3,584.80	NET PRIMARY PROPERTY TAX	3,790.8
TED PERSONAL PROPERTY TED TOTALS	197,640 269,000	22.0	43,481 45,980	0	0.2440	3,790.84	SECONDARY PROPERTY TAX	1,222.0
CASH LAND	1,590	22.0	350	Ö	2.9033	10.18 82.40	SPECIAL DISTRICT TAX	0.0
. CASH BUILDINGS, ETC . CASH PERSONAL PROPERTY	0,770 187,640	22.0 22.0	2,149 43,481	υ Ω	2.9033 2.6436	1,149.45	The state of the s	5,012.8
CASH TOTALS	209,000	,22.0	45,980	ō		1,222.04	TOTAL TAX DUE FOR 2009	
			J	URISDICTION			2008 TAXES	2009 TAXES
		The Phys	02000	COCHISE COU	NTY		1,224.76	1,215.04
			02001	STATE SCHOO	L TAX EQ	U	0.00	152.01 2,356.53
				BENSON SD #		_	2,551.32	739,13
	ne content?		08150	COCHISE COU	NTY JUNI	Ü	759.96	413.82
Carle 1. 1 74 Sale			10252	SAN PEDRO V	ALLET HU	5 T	411.93 36.98	40.15
		111111111111111111111111111111111111111	11900	FIRE DISTRI COCHISE COU	NTV I TOD	À	66.41	66.72
			14900	COCHISE COU	NTV ECD	2	6.59	6.49
			30000	COCHISE CNT	Y JOINT	Т	22.89	22.99
								H
中央を表現のことは、大学の光に、これはあります。					1	OTALS	5,080.84	5,012.8
· 医秦林斯氏病 医安特氏征 医克特氏征 计工程 电线							PAYMENT INSTRUCTION	is
908-60-900 7 0052438 01 AT 0.35	7 **AUTO T3 0 071	6 85308-412750	PAGE (	0001 OF 0001 00	To 09 061408 n	o pay the 1st r less, send t o later than N	half installment and full year he 1st half coupon with your p lov. 2, 2009. To pay the 2nd h	tax notices of \$100 ayment postmarked alf installment, send
	ահուսակա	اساليانانا			tt N	ie 2nd half co lav 3 2010.	oupon with your payment post. To pay taxes for the full year	narked no later that if the entire amoun
DRAGOON WAT					ח	lled ber notic	e exceeds \$100, send the 1st h marked no later than Dec. 31, 2	IZII COULOH WIIII YOU
KEVIN SULLIVAI 3950 W WOODI					W	ill be charge	d for current year.	<b>6</b> /
GLENDALE AZ								

PLEASE INCLUDE YOUR PARCEL NUMBER

ON YOUR CHECK.

THERE WILL BE A CHARGE FOR EACH RETURNED CHECK AND YOUR TAXES WILL REVERT TO AN UNPAID STATUS.

Make your check payable to and mail to: Marsha Bonham Cochise County Treasurer PO Box 1778

Bisbee AZ 85603-2778